

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

C

FKA

W-03880A
CHRISTOPHER CREEK HAVEN WATER CO.
2303 E. HEATHERBRAE DR.
PHOENIX AZ 85016-

J.N.J. ENTERPRISES, LLC

ANNUAL REPORT



FOR YEAR ENDING

12	31	2001
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FOR COMMISSION USE

ANN04	01
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Processed by:

5-8-02 cm

SCANNED

5-8-02 Per Pat Williams use the name of J.N.J. Enterprises LLC
Company revenues with Gardner Water Co. C.

COMPANY INFORMATION

Company Name (Business Name) Christopher Creek HAVEN Water Co

Mailing Address 2303 E. Heatherbrae Dr

Phoenix

(Street)
(City)

AZ

(State)

85016

(Zip)

602-956-3646

Telephone No. (Include Area Code)

602-956-3646

Fax No. (Include Area Code)

602-201-5415

Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address SAME

(Street)

(City)

(State)

(Zip)

520-4784102

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: Gerald Hendzian

(Name)

Owner

(Title)

2303 E. Heatherbrae Dr

(Street)

Phoenix

(City)

AZ

(State)

85016

(Zip)

602-956-3646

Telephone No. (Include Area Code)

SAME

Fax No. (Include Area Code)

602-201-5415

Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Statutory Agent: N/A
(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: N/A
(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☒ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☒ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	0	0	0
302	Franchises	0	0	0
303	Land and Land Rights	5,000	0	5,000
304	Structures and Improvements	13,000	650	12,350
307	Wells and Springs	21,000	1,050	19,950
311	Pumping Equipment	18,000	900	17,100
320	Water Treatment Equipment	5,000	250	4,750
330	Distribution Reservoirs and Standpipes	45,000	2,250	42,750
331	Transmission and Distribution Mains	4,000	200	3,800
333	Services	0	0	0
334	Meters and Meter Installations	12,000	600	11,400
335	Hydrants	0	0	0
336	Backflow Prevention Devices	0	0	0
339	Other Plant and Misc. Equipment	5,000	250	4,750
340	Office Furniture and Equipment	0	0	0
341	Transportation Equipment	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	2,000	100	1,900
346	Communication Equipment	0	0	0
347	Miscellaneous Equipment	0	0	0
348	Other Tangible Plant	0	0	0
	TOTALS	130,000	6,250	123,750

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	0	0	
302	Franchises	0	0	
303	Land and Land Rights	5,000	0	0
304	Structures and Improvements	13,000	5%	650
307	Wells and Springs	21,000	"	1,050
311	Pumping Equipment	18,000	"	900
320	Water Treatment Equipment	5,000	"	250
330	Distribution Reservoirs and Standpipes	45,000	"	2,250
331	Transmission and Distribution Mains	4,000	"	200
333	Services	0	"	0
334	Meters and Meter Installations	12,000	"	600
335	Hydrants	0	0	0
336	Backflow Prevention Devices	0	0	0
339	Other Plant and Misc. Equipment	5,000	5%	250
340	Office Furniture and Equipment	0	20%	0
341	Transportation Equipment	0	12%	0
343	Tools, Shop and Garage Equipment	0	5%	0
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	2,000	5%	100
346	Communication Equipment	0	0	
347	Miscellaneous Equipment	0	0	
348	Other Tangible Plant	0	0	
	TOTALS	130,000		6,250

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 0	\$ 0
134	Working Funds	534	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	59	506
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	0	0
162	Prepayments	0	0
174	Miscellaneous Current and Accrued Assets	0	0
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 595	\$ 506
	FIXED ASSETS		
101	Utility Plant in Service	\$ 130,000	\$ 130,000
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	0	6250
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 130,000	\$ 123,750
	TOTAL ASSETS	\$ 130,000	\$ 124,256

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 0	\$ 0
232	Notes Payable (Current Portion)	0	0
234	Notes/Accounts Payable to Associated Companies	0	0
235	Customer Deposits	1050	0
236	Accrued Taxes	0	0
237	Accrued Interest	0	0
241	Miscellaneous Current and Accrued Liabilities	0	0
	TOTAL CURRENT LIABILITIES	\$ 1050	\$ 0
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 110,439	\$ 107,053
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ 0	\$ 0
252	Advances in Aid of Construction	0	
255	Accumulated Deferred Investment Tax Credits	0	
271	Contributions in Aid of Construction	0	
272	Less: Amortization of Contributions	0	
281	Accumulated Deferred Income Tax	0	
	TOTAL DEFERRED CREDITS	\$ 0	\$ 0
	TOTAL LIABILITIES	\$ 0	\$ 0
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 0	\$ 20,000
211	Paid in Capital in Excess of Par Value	0	
215	Retained Earnings	0	
218	Proprietary Capital (Sole Props and Partnerships)	0	
	TOTAL CAPITAL	\$	\$ 20,000
	TOTAL LIABILITIES AND CAPITAL	\$ 11,489	\$ 127,053

COMPANY NAME

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 39,907	\$ 39,024
460	Unmetered Water Revenue		
474	Other Water Revenues		275
	TOTAL REVENUES	\$ 39,907	\$ 39,299
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 0	\$ 0
610	Purchased Water	0	0
615	Purchased Power	3671	2871
618	Chemicals	102	224
620	Repairs and Maintenance	7687	7,215
621	Office Supplies and Expense	2032	3004
630	Outside Services	3706	17466
635	Water Testing	2965	1626
641	Rents	0	
650	Transportation Expenses	5709	1190
657	Insurance – General Liability	0	0
659	Insurance - Health and Life	0	0
666	Regulatory Commission Expense – Rate Case	0	0
675	Miscellaneous Expense	981	3059
403	Depreciation Expense	6250	6250
408	Taxes Other Than Income	0	0
408.11	Property Taxes	2110	20
409	Income Tax	0	0
	TOTAL OPERATING EXPENSES	\$ 35 35213	\$ 42,925
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses <i>PAYMENTS</i>	2,560	11,919
427	Interest Expense	4,360	
	TOTAL OTHER INCOME/EXP	\$ 6920	\$ 11,919
	NET INCOME/(LOSS)	\$ (2,226)	\$ (15,545)

COMPANY NAME

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	6/5/00	5/11/00	5/15/00	5/30/00
Source of Loan	CARRA POWELL	J. LEONZON	J. LEONZON	J. LEONZON
ACC Decision No.				
Reason for Loan	water LD	opt lost	opt lost	opt lost
Dollar Amount Issued	\$ 110,000	\$ 100. ⁰⁰	\$ 1,000	\$ 3,000
Amount Outstanding	\$ 102,953	\$ 100. ⁰⁰	\$ 1,000	\$ 3,000
Date of Maturity	6/5/15	ASAP	ASAP	ASAP
Interest Rate	7 1/2	0		
Current Year Interest	\$ 7378.	\$	\$	\$
Current Year Principle	\$ 102,953	\$ 100. ⁰⁰	\$ 1,000	\$ 3,000

Meter Deposit Balance at Test Year End \$ 1,200

Meter Deposits Refunded During the Test Year \$ 0

COMPANY NAME

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
55-800-363-L	1½	15	6	1"
55-800-362-L	1½	6	6	¾
55-526-712	1½	6	6	¾
55-54-3032	1½	15	6	1"

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = 5,241

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
2	4	0	0
1½	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
15,000	1	5,000	1
12,000	1	120	5
10,000	1		
5,000	2		

STATISTICAL INFORMATION

Total number of customers	<u>163</u>
Total number of gallons sold	<u>4,474,530</u> gallons

COMPANY NAME Christopher Creech Haven Water Co YEAR ENDING 12/31/2001

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 0
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 0
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
Amount of Gross-Up Tax Collected 0
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Gerald Lendzion
SIGNATURE

3-22-02
DATE

Gerald Lendzion
PRINTED NAME

owner
TITLE

COMPANY NAME _____ YEAR ENDING 12/31/2001

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ 20

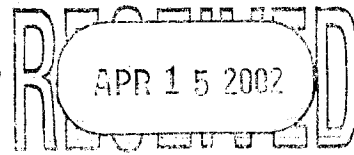
Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

STATE MADE A MIX UP ON TAXES
THIS YEAR, BECAUSE ~~THE~~ NEW OWNER

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

ARIZONA CORPORATION
COMMISSION



VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Gerald Henderson</u>
COMPANY NAME	<u>Christopher Creek Haven Water Co</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2001</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)
\$ <u>41,744</u>

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 2,445
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Gerald Henderson
SIGNATURE OF OWNER OR OFFICIAL
602-956-3646
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

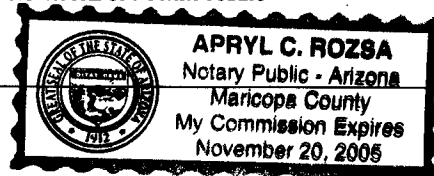
THIS 23 DAY OF

COUNTY NAME	<u>Maricopa</u>
MONTH	<u>MARCH</u> <u>2002</u>

(SEAL)

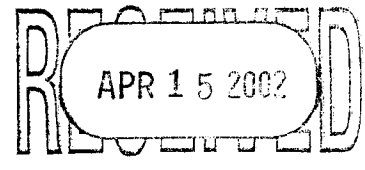
MY COMMISSION EXPIRES NOV 20, 2005

April C. Rozsa
SIGNATURE OF NOTARY PUBLIC



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION
COMMISSION



Director of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME)

NAME (OWNER OR OFFICIAL)

Gerald Lendzion

TITLE

owner

COMPANY NAME

Christopher Creek Haven Water Co

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 41,744

(THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 2,445
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X *[Signature]*
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

15

DAY OF

(SEAL)



MY COMMISSION EXPIRES **SEPTEMBER 20, 2005**

SEPTEMBER 20, 2005

NOTARY PUBLIC NAME

Sarah Lerma

COUNTY NAME

Maricopa

MONTH

APRIL 20 *02*

X *[Signature]*
SIGNATURE OF NOTARY PUBLIC

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

<div data-bbox="1252 394 1365 478" data-label="Text"><p>G</p></div>
<p>W-03880A</p> <p>FKA Gardner Water Company</p> <p>2303 E. Heatherbrae</p> <p>Phoenix AZ 85016</p> <p>J.N.J. ENTERPRISES, LLC</p>

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001
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FOR COMMISSION USE

ANN04	01
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Processed by:
5-8-02
~~5-17-02~~ can

SCANNED
7 APR 2002

5-8-02 Per Pat Williams use the name of
J.N.J. Enterprises LLC + combine
records with Christopher Creek Haven w/c.

COMPANY INFORMATION

Company Name (Business Name) <u>Gardner Water Company</u>		
Mailing Address <u>2303 E. Heatherbrae Dr</u>		
<u>Phoenix</u> (City)	<u>AZ</u> (State)	<u>85016</u> (Zip)
<u>602-4563646</u> Telephone No. (Include Area Code)	<u>SAME</u> Fax No. (Include Area Code)	<u>602-2015415</u> (Pager/Cell No. (Include Area Code))
Email Address _____		
Local Office Mailing Address <u>SAME</u>		
_____ (City)	_____ (State)	_____ (Zip)
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: <u>N/A</u>			
_____ (Name)		_____ (Title)	
_____ (Street)	_____ (City)	_____ (State)	_____ (Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: <u>N/A</u>			
_____ (Name)			
_____ (Street)	_____ (City)	_____ (State)	_____ (Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			

Statutory Agent: N/A
(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: N/A
(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☒ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☒ Other (Describe) S Corp

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☒ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	500	0	500
304	Structures and Improvements	5,000	250	4,750
307	Wells and Springs	20,000	1,000	19,000
311	Pumping Equipment	5,000	250	4,750
320	Water Treatment Equipment	0		
330	Distribution Reservoirs and Standpipes	0		
331	Transmission and Distribution Mains	5,000	250	4,750
333	Services			
334	Meters and Meter Installations	14,500	725	13,775
335	Hydrants	0		
336	Backflow Prevention Devices	0		
339	Other Plant and Misc. Equipment	0		
340	Office Furniture and Equipment	0		
341	Transportation Equipment	0		
343	Tools, Shop and Garage Equipment	0		
344	Laboratory Equipment	0		
345	Power Operated Equipment	0		
346	Communication Equipment	0		
347	Miscellaneous Equipment	0		
348	Other Tangible Plant	0		
	TOTALS	50,000	2,475	47,525

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	500	0	0
304	Structures and Improvements	5,200	5%	250
307	Wells and Springs	20,000	5%	1,000
311	Pumping Equipment	5,000	5%	250
320	Water Treatment Equipment	0	"	
330	Distribution Reservoirs and Standpipes	0	"	
331	Transmission and Distribution Mains	5,000	5%	250
333	Services	0	0	
334	Meters and Meter Installations	14,500	5%	725
335	Hydrants	0	"	
336	Backflow Prevention Devices	0	"	
339	Other Plant and Misc. Equipment	0	"	
340	Office Furniture and Equipment	0	"	
341	Transportation Equipment	0	"	
343	Tools, Shop and Garage Equipment	0	"	
344	Laboratory Equipment	0	"	
345	Power Operated Equipment	0	"	
346	Communication Equipment	0	"	
347	Miscellaneous Equipment	0	"	
348	Other Tangible Plant	0	"	
	TOTALS	50,200		2475

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 0	\$ 0
134	Working Funds		0
135	Temporary Cash Investments		0
141	Customer Accounts Receivable		130
146	Notes/Receivables from Associated Companies		0
151	Plant Material and Supplies		0
162	Prepayments		0
174	Miscellaneous Current and Accrued Assets		0
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 0	\$ 130
	FIXED ASSETS		
101	Utility Plant in Service	\$	\$ 50,000
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant		2425
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$	\$ 47,525
	TOTAL ASSETS	\$ 0	\$ 47,655

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 0	\$ 0
232	Notes Payable (Current Portion)		0
234	Notes/Accounts Payable to Associated Companies		0
235	Customer Deposits		0
236	Accrued Taxes		0
237	Accrued Interest		0
241	Miscellaneous Current and Accrued Liabilities		0
	TOTAL CURRENT LIABILITIES	\$ 0	\$ 0
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$ 32,529
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		0
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		0
	TOTAL DEFERRED CREDITS	\$ 0	\$
	TOTAL LIABILITIES	\$ 0	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$ 10,000
211	Paid in Capital in Excess of Par Value		0
215	Retained Earnings		0
218	Proprietary Capital (Sole Props and Partnerships)		0
	TOTAL CAPITAL	\$ 0	\$ 10,000
	TOTAL LIABILITIES AND CAPITAL	\$ 0	\$ 42,529

COMPANY NAME

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 19,341	\$ 17,458
460	Unmetered Water Revenue		
474	Other Water Revenues	217	800
	TOTAL REVENUES	\$ 19,341	\$ 18,258
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 1,324	\$ 0
610	Purchased Water		
615	Purchased Power	1,260	1362
618	Chemicals		
620	Repairs and Maintenance	752	5491
621	Office Supplies and Expense	393	3071
630	Outside Services	475	21195
635	Water Testing	945	2,559
641	Rents		
650	Transportation Expenses	1,708	1,190
657	Insurance – General Liability	360	
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		2,000
675	Miscellaneous Expense	1,377	26
403	Depreciation Expense	1,597	2,475
408	Taxes Other Than Income		
408.11	Property Taxes	1,285	
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 11,476	\$ 39,369
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/EXP	\$	\$
	NET INCOME/(LOSS)	\$ 8,082	\$ (21,110)

COMPANY NAME

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	1/4/01			
Source of Loan	Gardner			
ACC Decision No.	64197			
Reason for Loan	water LD			
Dollar Amount Issued	\$ 40,000	\$	\$	\$
Amount Outstanding	\$ 37,929	\$	\$	\$
Date of Maturity	1/4/16			
Interest Rate	7			
Current Year Interest	\$ 2,745	\$	\$	\$
Current Year Principle	\$ 2,070	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 0

Meter Deposits Refunded During the Test Year

\$ 0

COMPANY NAME

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
55-631406	3½	30	8	1½
55-627384	2	30	6	1

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = 4,721

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
		3,000	1
		2,000	1

STATISTICAL INFORMATION

Total number of customers 22

Total number of gallons sold 1176768 gallons

COMPANY NAME Gardner Water Co YEAR ENDING 12/31/2001

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 0
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 0
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
Amount of Gross-Up Tax Collected 0
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Gerald Hendzon
SIGNATURE

3-22-02
DATE

Gerald Hendzon
PRINTED NAME

owner
TITLE

COMPANY NAME Gardner Water YEAR ENDING 12/31/2001

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ 0

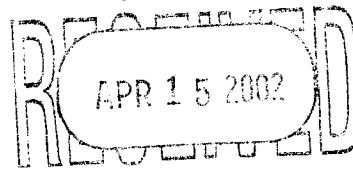
Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

Arizona Department of Revenue is Redding The
TAXS There was a mix up, because of the sale
of the water Co, should be about \$1,200 to \$1,500

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION
COMMISSION



Director of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME)	
NAME (OWNER OR OFFICIAL) <i>Gerald Henderson</i>	TITLE <i>Owner</i>
COMPANY NAME <i>GARDNER Water Company</i>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <i>19300</i> <i>19367</i>

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ *1598.11*
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X *[Signature]*
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

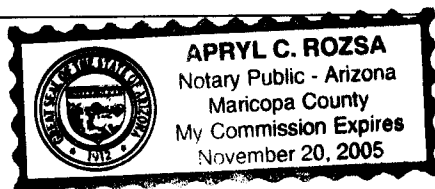
THIS *23* DAY OF

NOTARY PUBLIC NAME <i>APRYL C Rozsa</i>	
COUNTY NAME <i>MARICOPA</i>	
MONTH <i>MARCH</i>	20 <i>02</i>

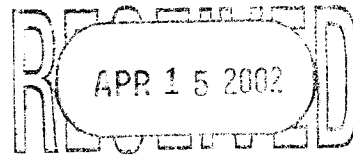
(SEAL)

MY COMMISSION EXPIRES *November 20, 2005*

X *[Signature]*
SIGNATURE OF NOTARY PUBLIC



VERIFICATION AND SWORN STATEMENT Intrastate Revenues Only



VERIFICATION

STATE OF _____

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Director of Utilities
NAME (OWNER OR OFFICIAL) TITLE <i>Gerald Lendzion</i>	
COMPANY NAME <i>GARDNER WATER COMPANY</i>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 19362

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 1109
IN SALES TAXES BILLED, OR COLLECTED

*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

Gerald Lendzion
SIGNATURE OF OWNER OR OFFICIAL
602-956-3646
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

23

DAY OF

COUNTY NAME	<i>Maricopa</i>	
MONTH	<i>March</i>	<i>2002</i>

(SEAL)

MY COMMISSION EXPIRES

Nov 20, 2005

April C. Rozsa
SIGNATURE OF NOTARY PUBLIC

